

Hospital Profile:

BOSTON CHILDREN'S HOSPITAL

Specialty Hospital
Metro Boston Region

Boston Children's Hospital (Boston Children's) is a non-profit, acute care specialty hospital dedicated to pediatric health care. It is a teaching hospital for Harvard Medical School, and has research partnerships with numerous institutions in Massachusetts and elsewhere. It is a large hospital, with 395 staffed beds, and provides the most comprehensive level of pediatric injury care. It treats a disproportionate number of complex cases (i.e. high casemix index) compared to hospitals statewide. Boston Children's is located in the Metro Boston region, representing 8% of all acute hospital beds in the region, and 75% of the pediatric beds in the region.

PATIENTS Eleven percent of all inpatient cases treated at Boston Children's are from Boston neighborhoods, Brockton, and Quincy.

INPATIENT SERVICES Compared with other acute hospitals, Boston Children's treats more high-severity cases; however, about two-thirds of cases at Boston Children's are low or moderate severity. While just 5% of all inpatient cases from acute hospitals in Metro Boston were treated at Boston Children's in 2012, its proportion of regional pediatric discharges was greater. Boston Children's reports that the average age of patients admitted to the hospital is approximately 8 years, and that 89% of discharges from the hospital in FY12 were for patients under 18 years of age. Relative to its size, Children's treats a disproportionate share of asthma cases, bronchiolitis/pneumonia cases, and certain hip and femur procedures. Boston Children's cost[†] per inpatient case was \$15,339 in FY12.

FINANCIAL PERFORMANCE Boston Children's total revenue in FY12 was \$1.3 billion. It tends to have a high proportion of commercial business (over two-thirds), which reflects the fact that Boston Children's treats very few Medicare patients, while 24% of its business is funded by state programs. Its commercial payer price level is high relative to other hospitals. Boston Children's earned a surplus of \$58.4 million (4.4% total margin) in FY12, its lowest in the five year period, although it earned a surplus each year.

AT A GLANCE

TOTAL STAFFED BEDS: 395, among the larger acute hospitals

% OCCUPANCY: 71%

TOTAL REVENUE in FY12: \$1,318 million

PUBLIC PAYER MIX: 33% (Non-DSH* Hospital)

SPECIAL PUBLIC FUNDING: Not Applicable

TAX STATUS: Non-profit

TRAUMA CENTER DESIGNATION: Pedi: Level 1

CY12 COMMERCIAL PAYER PRICE LEVEL: 95th Percentile

CASE MIX INDEX in FY12: 1.78, greater than statewide (1.06)

INPATIENT:OUTPATIENT REVENUE in FY12: 53%:47%

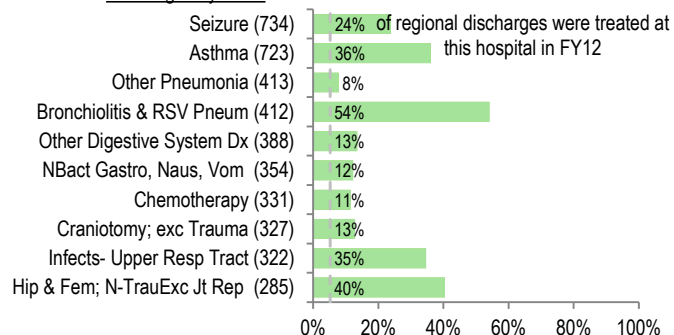
TOTAL MARGIN in FY12: 4.4% (\$58.4 million)

CHANGE in OWNERSHIP (FY08-FY12): Not Applicable

SERVICES

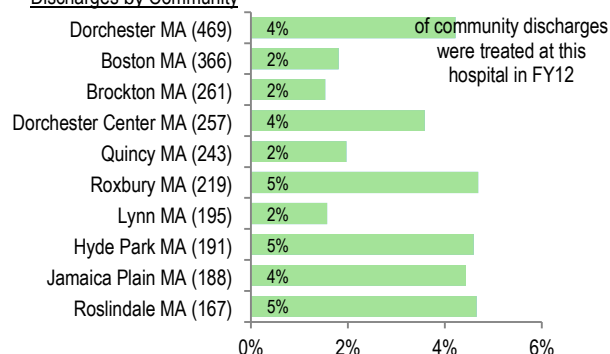
What were the most common inpatient cases (DRGs) treated at the hospital?
What proportion of the region's cases did this hospital treat for each service?

Discharges by DRG



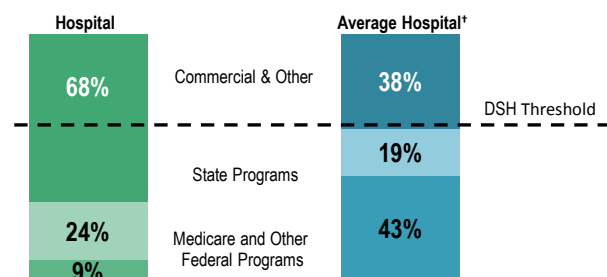
Where did most of the hospital's inpatients reside? What proportion of each community's total discharges were attributed to this hospital?

Discharges by Community



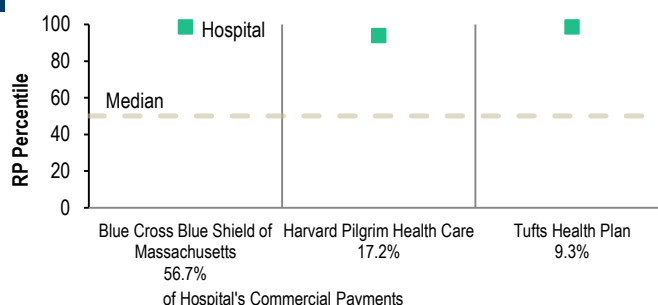
PAYER MIX

What was the hospital's overall payer mix (gross charges) in FY12, and how does this hospital compare to the average acute hospital's payer mix?



Percentage calculations may not sum to 100% due to rounding

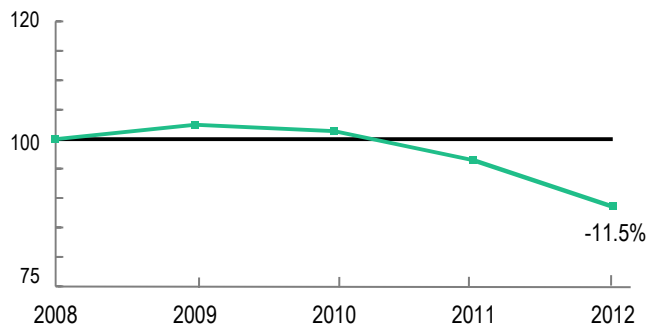
What were the hospital's CY12 payer-specific relative price levels for its top three commercial payers?



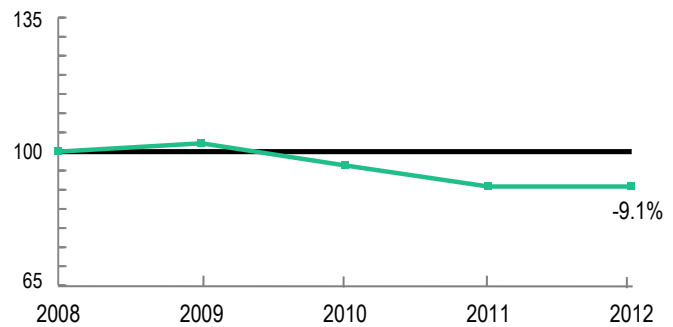
For descriptions of the metrics, please see Technical Appendix.

UTILIZATION TRENDS

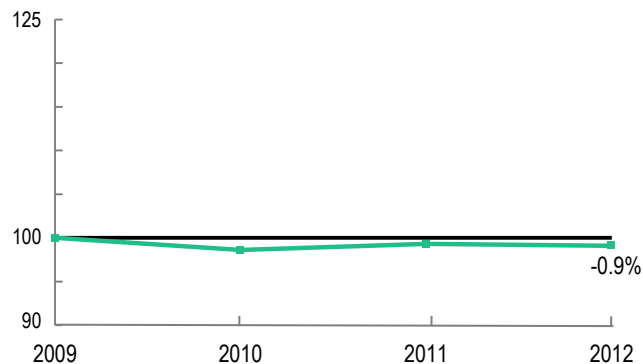
How has the volume of the hospital's inpatient discharges changed compared to FY08? (FY08=100)



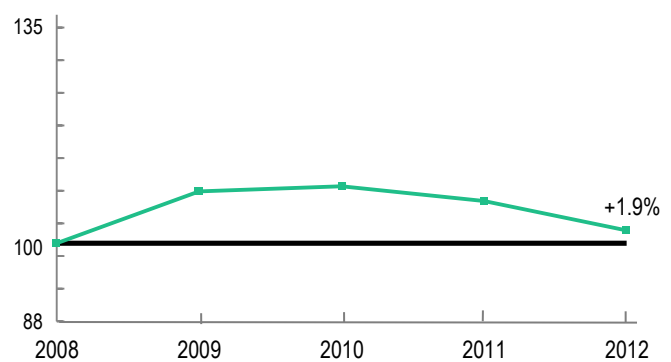
How has the volume of the hospital's outpatient visits changed compared to FY08? (FY08=100)

**COST TRENDS**

How has the hospital's inpatient cost[‡] per case mix adjusted discharge changed compared to FY09? (FY09=100)



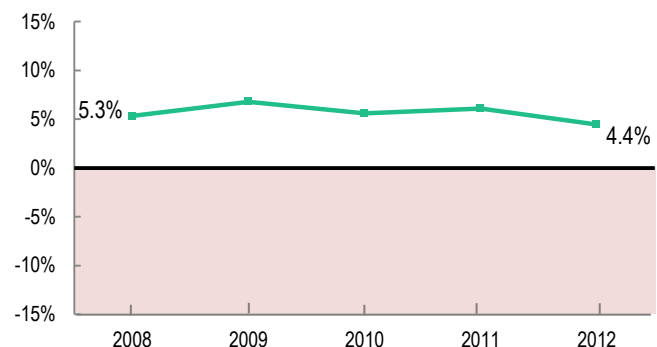
How have the hospital's total outpatient costs changed compared to FY08? (FY08=100)

**FINANCIAL PERFORMANCE**

How have the hospital's total revenue and costs changed between FY08 and FY12?

Revenue, Cost & Profit/Loss (in millions)					
FY	Total Revenue	% Change	Total Cost	% Change	Total Profit/Loss
2008	\$1,190		\$1,127		\$63.4
2009	\$1,304	9.6%	\$1,216	7.9%	\$88.4
2010	\$1,322	1.4%	\$1,248	2.6%	\$74.1
2011	\$1,349	2.0%	\$1,267	1.5%	\$82.1
2012	\$1,318	(2.3%)	\$1,259	(0.6%)	\$58.4

What was the hospital's total margin between FY08 and FY12?



For descriptions of the metrics, please see Technical Appendix.

[‡] Costs were adjusted to exclude direct medical education costs and physician compensation.

* Disproportionate Share Hospitals (DSH) receive a minimum of 63% of gross patient service revenue from public payers.

[†] Average Hospital does not include Specialty hospitals.

For more information, please contact:

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